

FISCAL IMPACT STATEMENT ON BILL NO. **S607**

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TO:	The Honorable David Thomas, Chairman, Senate Banking and Insurance Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Allan Kincaid and Harry Bell		
DATE:	April 13, 2005	SBD:	2005368

AUTHOR:	Senator Lourie	PRIMARY CODE CITE:	37-7-101
SUBJECT:	Credit Counseling		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
A Cost to Federal and/or Other Funds (See Below)

BILL SUMMARY:

The proposed Bill amends the Code of Laws of South Carolina, 1976, by adding Chapter 7 to Title 37 so as to provide for the licensing and regulation of consumer credit counseling in South Carolina by the Department of Consumer Affairs.

EXPLANATION OF IMPACT:

A review of this Bill by the Department of Consumer Affairs indicates there will be an additional cost of \$35,000 for one new position. Of the additional cost, \$1,039 will be non-recurring for the purchase of furniture and computer equipment. Sections 37-7-104 and 37-7-107 provide for the collection of application and licensing fees. The Department assumes this other funds revenue would be sufficient to support increased expenditures. It is estimated there are approximately 100 credit counseling organizations and 500 counselors providing counseling and debt management services in South Carolina.

LOCAL GOVERNMENT IMPACT:

Enactment would have little or no impact on local expenditures.

SPECIAL NOTES:

The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this or any other Bill.

The General Assembly may wish to clarify if it is their intent for the agency to retain and expend the generated other funds revenue for implementation of the program. Otherwise such revenue would be credited to the General Fund of the State.

Approved by:



Don Addy
Assistant Director, Office of State Budget